## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF CODES AND STANDARDS

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**April 15, 2005** 

## **INFORMATION BULLETIN 2005-05 (MP, SOP)**

TO: Mobilehome Park Local Enforcement Agencies

**Mobilehome Park Operators** 

**Special Occupancy Park Operators** 

**Mobilehome Park and Special Occupancy Park** 

**Interested Parties** 

**City and County Building Officials** 

**Division Staff** 

## SUBJECT: 2004 LEGISLATIVE CHANGES

This Information Bulletin summarizes legislative changes to the California Health and Safety Code (HSC), Civil Code, Code of Civil Procedure, Public Utilities Code, and the Government Code relating to manufactured homes, mobilehome parks, and special occupancy parks enacted in the 2004 legislative session. These changes, unless otherwise noted below, become effective January 1, 2005.

- > Chapter 76, Statutes of 2004 (Senate Bill No. 115, Torlakson) adds Section 1947.3 to the Civil Code.
  - Civil Code Section 1947.3 is added to require that a landlord may only require a tenant to pay rent or make a security deposit in cash if the tenant had previously attempted to pay with a check drawn on insufficient funds or had stopped payment on a check, draft, or order for the payment of money to the landlord or landlord's agent. However, the landlord may only require cash payments for a period not to exceed three (3) months, and a written notice complying with specific requirements is required.
- ➤ Chapter 567, Statutes of 2004 (Senate Bill No. 1090, Dunn) amends Section 798.71 of the Civil Code and Sections 18024, 18062.2, and 18063 of the Health and Safety Code related to mobilehome park management. Other amendments to the Health and Safety Code contained in this bill are applicable to manufactured home dealer sales and are addressed in HCD Information Bulletin 2005-04 (MH, OL).

- Civil Code Section 798.71 is amended, providing technical changes to include the term "manufactured home" (Note that mobilehome and manufactured home have the same meaning). Amendments to this statute now also prohibit the mobilehome park management from requiring a homeowner, heir, joint tenant, or personal representative of an estate to use a specific broker, dealer or person to act as the agent as a condition of the resale of a manufactured home in the park.
- Health and Safety Code Section 18024 is amended to make it unlawful to engage in the activities of a commercial modular, manufactured home, multiunit manufactured housing or mobilehome dealer without a license from the department, except as exempted pursuant to Section 18002.6 (b) of the Health and Safety Code. Department staff may issue citations ordering the abatement of unlicensed activities and may assess civil penalties up to two thousand dollars (\$2,000).
- Health and Safety Code Section 18062.2 is amended to make it an unlawful act for a dealer who is the mobilehome park owner, manager, or their agent to knowingly violate Sections 798.72, 798.73, 798.73.5, 798.75.5, or 798.83 of the Civil Code while serving as the dealer for a manufactured home or mobilehome to be installed or sold in the park.
- ➤ Chapter 728, Statutes of 2004 (Senate Bill No. 1163, Dunn) amends Section 798.38 of the Civil Code and Section 739.5 of the Public Utilities Code relating to master-metered utilities in parks.
  - In Civil Code Section 798.38, the amendments pertain to parks that provide master-metered and sub-metered gas and electric utilities. In addition to the existing requirements for the billing notice, if a third-party billing agent or company prepares the utility billing for the park, the management must disclose on each resident's billing notice the name, address, and telephone number of the billing agent or company.
  - Public Utilities Code Section 739.5 is amended to direct the Public Utilities Commission (PUC) to accept and respond to complaints regarding Section 739.5 through their consumer affairs branch. In responding to a complaint, the PUC must consider coordinating with the county sealer for assistance in helping to resolve the complaint.
- ➤ Chapter 622, Statutes of 2004 (Senate Bill No. 1176, Dunn) amends Section 798.25 of the Civil Code and Sections 18420 and 18552 of the Health and Safety Code relating to Mobilehome Parks.

- Civil Code Section 798.25 is amended to permit park management to implement a change to the park's rules or regulations after 60 days without homeowner consent when the change in park rules is mandated by a change in a law, local ordinance, or governmental regulation. Written notice must be provided to the homeowners specifying a reference to the law, governmental regulation or local ordinance, including the section number requiring the amendment to the park's rules and regulations.
- Health and Safety Code Section 18420 is amended to change the initial time for correction of a violation noted during an inspection by the enforcement agency from 90 days to 60 days. The additional time extension for correction of a violation after a reinspection is now specified to be at least 30 days, when there is a valid reason the violation wasn't corrected within the initial 60 days including but not limited to weather conditions, illness, availability of repair persons or financial resources.
- Health and Safety Code Section 18552 is amended to allow, until January 1, 2007, mobilehomes, manufactured homes, and cabanas that do not have the capacity to meet the snow roof load capacity for areas above 5,000 feet, as determined by a local survey, to be installed in mobilehome parks above 5,000 feet provided the park has a valid snow roof load maintenance program on file with the enforcement agency. Additionally, a second version of this section was added which removes this provision and becomes effective on January 1, 2007
- ➤ Chapter 56, Statutes of 2004 (Assembly Bill No. 162, Cohn) enacted an urgency statute that repeals the current Section 18502.5 of the Health and Safety Code.
  - Health and Safety Code Section 18502.5, as amended by Chapter 107 or the Statutes of 2003, is repealed. The amended statute referred to the Mobilehome Parks Revolving Fund as the appropriate fund within which revenue is to be deposited. The effective version of Section 18502.5 properly refers to the Mobilehome Parks and Special Occupancy Parks Revolving Fund for deposit of revenue. This legislation takes effect immediately and there is no other change to this effective section.
- ➤ Chapter 530, Statutes of 2004 (Assembly Bill No. 1964, Leslie) amends Sections 799.30, 799.46, and 799.55 of the Civil Code and adds Sections 1866 and 1867 to the Civil Code relating to Special Occupancy Park evictions.
  - Civil Code Section 799.30, as amended corrects the reference to the statutory definition of a Special Occupancy Park.

- In Civil Code Sections 799.46, and 799.55 the amendments add a reference to new Civil Code Section 1866, which relates to eviction proceedings in special occupancy parks.
- The addition of Section 1866 to the Civil Code adds definitions specifically related to this section and permits the management of a special occupancy park, under specific conditions, to evict a guest if the guest refuses or fails to depart from a campsite, camping cabin, lot, or other rental unit by the posted checkout time. It also allows the park to take possession of the personal property left on the lot by the evicted guest including any tent, park trailer, or recreational vehicle. The management must have a contractual obligation for the campsite, camping cabin, lot, or other rental unit to accommodate an arriving person and provide a written notice, signed by the guest, stating the future need of the accommodation. If the park management provides the notice in bad faith or with the knowledge that there is no bona fide contractual obligation, the park shall be liable for actual damages plus a fine of \$250.
- The addition of Section 1867 to the Civil Code permits a special occupancy park to require a guest to move from a space in the park to a different space if an imminent danger is present, which poses an immediate and likely risk to health or safety as determined by the park management.
- ➤ Chapter 302, Statutes of 2004 (Assembly Bill No. 2351, Corbett) amends Sections 798.16, 798.26, 798.37, and 799.1.5, renumbers and amends Section 798.285 and adds Section 799.2.5 to the Civil Code relating to mobilehome parks.
  - Civil Code Section 798.16 is amended and requires that the management of a mobilehome park return an executed copy of the rental agreement within 15 business days after management has received the signed rental agreement from the homeowner.
  - Civil Code Section 798.26 is amended and relates to the requirements for the right of entry by park management. It removes the reference to "other provisions of law" making section 798.26 the specific reference identifying when the park management may enter a lot, or enter a manufactured home without the resident's consent. References to subdivisions, cooperatives, and condominium type parks has been removed and relocated in new section 799.2.5 as noted below.
  - Civil Code Section 798.285 is amended and renumbers the section to 798.28.5
    to correct an error in its numbering. The amendments also allow the park
    management to remove a vehicle from a resident's driveway or designated
    parking space that is in violation of a park rule or regulation. The park
    management must post a notice on the vehicle's windshield stating the intent to

remove the vehicle in seven (7) days, and the notice must contain the specific park rule or regulation that is violated.

If a vehicle upon which a notice was previously posted is removed and then returned to the park and remains in violation, it may be removed without additional notice.

If a vehicle poses a significant danger to health or safety of a park resident or guest, or removal at the request of the homeowner or resident is made, no notice or waiting period is required and the vehicle may be removed pursuant to the California Vehicle Code.

- Civil Code Section 798.37 is amended and adds the prohibition that park management <u>may</u> not require a homeowner to purchase, rent, or lease goods or services from any specific person or company for landscaping, remodeling, or maintenance.
- Civil Code Section 799.1.5 is amended and applies to subdivision, cooperative, or condominium type mobilehome parks, and adds an heir, joint tenant, or personal representative of the estate, or the agent of any of those persons, as persons authorized to advertise a mobilehome for sale. The amendments permit, unless otherwise prohibited by the rental agreement, advertisement of a home for sale, exchange or rent. Signs complying with specific content, dimensions and locations may be displayed.
- Civil Code Section 799.2.5 is added to define the requirements for the park management's right of entry for a mobilehome and lot within a subdivision, cooperative, or condominium type mobilehome park. The provisions are the same as those for other parks (see Section 798.26).
- Chapter 680, Statutes of 2004 (Assembly Bill No. 2581, Lieber) amends Section 65863.7of the Government Civil Code, relating to the closure of a mobilehome park.
  - In Government Code Section 65863.7, the amendments apply when a mobilehome park closes, ceases operation, or changes its use as a mobilehome park as a result of an enforcement action by the enforcement agency suspending the park's permit to operate. In that instance, the park owner is designated as the person proposing the change in use for purposes of preparing the impact report and the mitigation of the adverse impact on the residents as otherwise required by this section.
- Chapter 766, Statutes of 2004 (Assembly Bill No. 2718, Laird) amends Sections 1365, 1365.5, and 1368, and adds Sections 1365.2.5 and 1365.3 to the Civil Code, relating to common interest developments.

- Amendments to this chapter of the Civil Code specifically pertain to the condominium and stock cooperative type of parks incorporated under the Davis-Sterling Common Interest Development Act. The amendments among other things, revise provisions governing the preparation and distribution of financial and other documents to members of the development, require certain community service organizations, as defined, to prepare and distribute a specified financial statement, and set forth a specified form regarding assessment and reserve funding disclosures. The amendments also allow an association to charge a reasonable fee for providing copies of specified documents to the owner of a separate interest, and that these items may be made available in specified electronic form. The provisions of these amendments apply to reports and disclosures made after July 1, 2005.
- ➤ Chapter 473, Statutes of 2004 (Assembly Bill No. 3022, Committee on Housing and Community Development) among other items, amends Sections 50781, and 50784 of the Health and Safety Code, relating to the Mobilehome Park Purchase Fund.
  - In Health and Safety Code Sections 50781 and 50784, the amendments add numerous definitions and allow loans for the purchase of a mobilehome park to be made by limited partnership where all the general partners are qualified nonprofit mutual or public benefit corporations, in addition to the current qualified purchasers, and would conditionally increase the loan amounts to 100 percent.

This summary of legislative changes is not represented to be a complete digest of all new laws affecting persons regulated by the Mobilehome Parks Act, Special Occupancy Parks Act, or the Mobilehome Residency Law. The complete text of each law can be reviewed through the Official California Legislative Information website using the internet address: www.leginfo.ca.gov.

For questions regarding mobilehome park or special occupancy park requirements, please contact our Mobilehome Parks Program at (916) 445-9471. Questions regarding the Mobilehome Residency Law should be directed to the Office of the Mobilehome Ombudsman at 1-800-952-5275 during its limited hours of operation. You may also contact the Department via our web comment at: <a href="http://www.hcd.ca.gov/comments/">http://www.hcd.ca.gov/comments/</a>.

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